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STATE OF MONTANA

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THIRTY-FOURTH ANNUAL REPORT
of the
INDUSTRIAL ACCIDENT BOARD

For the twelve months period ending

June 30, 1949

ADMINISTRATION OF WORKMEN'S COMPENSATION ACT

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GOV [illegible]
Helena [illegible]

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MEMBERS OF THE BOARD

WALTER P. COOMBS, Chairman   JOHN J. HOLMES, State Auditor

ALFRED R. ANDERSON, COMMISSIONER
of Agriculture and Labor

. . . .

WORKMEN'S COMPENSATION ACT
SAFETY INSPECTION LAWS
STATIONARY ENGINEERS' LICENSE LAWS
QUARTZ MINE INSPECTION LAWS
COAL MINE INSPECTION LAWS
BOILER INSPECTION LAWS

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LETTER OF TRANSMITTAL

October 1, 1949

Honorable John W. Bonner
Governor of Montana
Helena, Montana

Dear Governor Bonner:

Pursuant to the requirement of the Workmen's Compensation Act of Montana, we have the honor to transmit herewith the Thirty-Fourth annual report of the Industrial Accident Board, which report covers the administration of the Montana Workmen's Compensation Act for the one year period ended June 30, 1949.

This report shows the total number of accidents suffered by workmen who were employed by employers enrolled under all plans of the Workmen's Compensation Act and gives statistics for thirty four years of operation of the Act.

The Act provides for three separate plans of compensation insurance. Plan I is self-insurance; Plan II is private insurance and Plan III is the State Compensation Fund. The financial statement contained in this report is, of course, exclusively the financial statement of the Industrial Accident Fund (Plan III).

It is a pleasure to report that the State Fund, Plan III, is in the best condition of its history. Our reserves are ample to meet any contingency. The State Compensation Fund affords complete protection to injured employes. Employers have elected to become bound by Plan III because of the unsurpassed compensation services rendered. Employers and employes alike know that claims are handled promptly, with a minimum of red tape and delay.

At the last session of the Montana Legislature, compensation benefits were substantially increased. Benefits now range from $20.00 to $26.00 per week for a maximum of 500 weeks. A totally permanently disabled worker or the widow of a deceased worker may receive payments aggregating a total of $13,000. The maximum allowable for medical and hospital payments was increased from $500.00 to $1000.00 and there were increases in the specific indemnity for specified injuries.

Despite these increased benefits, the Board has found it possible to reduce premium rates in certain classifications, and the Board has announced a policy of rate reduction wherever possible, consistent with sound business practice.

Plan III continues to lead all other forms of insurance. More firms carry their compensation coverage in Plan III than the total of Plan I and Plan II firms combined. During the fiscal year of 1948, however, there has been a decided increase in Plan II firms.

A study of the statistical statement on the operation of all three plans indicates that the State Compensation Fund paid out a total of $973,794.22 for some 1,348 claims, and Plan II operators paid a total of $430,874.30 for some 1,114 claims.

Plan I, self-insurers, paid a total of $518,675.95 for some 977 claims. This would seem to indicate that Plan I operators continued to maintain their favorable payment schedule to injured workers.

It is interesting to note that these statistics show that had insured workers covered under Plan II of the Act received benefits in the same ratio as those under Plan III, the State Fund, they would have been paid a total of $869,236.19 or an increase of $438,361.89 over what the injured workers actually received. It will also be seen that Plan I benefit payments were more generous than Plan II.

The Board considers it has an obligation to scrutinize carefully all settlements made by self-insurers and insurance carriers under the Act. The Board will continue to exercise such control so that all rights of claimants are protected to the extent of the Board's ability under the law. The Board's relations with insurance carriers and self-insurers have been excellent and there has been note-worthy cooperation with the Board on the part of those engaged in administering the Montana Workmen's Compensation Act under Plan I and Plan II.

The Board has given increasing attention to accident prevention as a means of bringing about a decrease in the number of accidental injuries in Montana. It will be observed that in 1948 there were a total of 83 fatal accidents under the Act as compared with 46 in 1947 and 68 in 1946. Industrial hazards are on the increase and this has caused the Board considerable concern. Where fatal accidents occur, the Board requests a full report on the circumstances and seeks to have the condition causing the hazard corrected. However, there is serious need for more accident prevention work so that hazards will be removed before injuries occur.

Likewise, much remains to be done in the field of rehabilitation of injured workers. The Board considers that this field offers a significant challenge and that more effort should be made to bring back into productive employment workers injured in their employment.

Workmen's Compensation is designed to provide immediate medical and hospital attention plus prompt payment of cash benefits to injured workers during the period of disability. It has the additional objective of providing a remedy as free as possible from delay and litigation. The Industrial Accident Board intends to continue to see that these purposes are realized.

Respectfully submitted,

INDUSTRIAL ACCIDENT BOARD

Walter P. Coombs
Chairman

John J. Holmes
Commissioner

Alfred R. Anderson
Commissioner

PLAN III

INDUSTRIAL ACCIDENT FUND--FINANCIAL STATEMENT

June 30, 1949

ASSETS:		
Cash Funds		
Industrial Accident Fund	501,448.96	
Less Outstanding Warrants	31,563.92	
Total Cash in Treasury		469,885.04
Reserve Fund Investments	4,520,606.73	
Registered Warrants	901.48	
Total Investments		4,521,508.21
Total Cash and Invested Funds		4,991,393.25
LIABILITIES:		
Premium Income	25,658,844.56	
Recoveries from Judgements	81,806.38	
	25,740,650.94	
Less Compensation Paid	21,977,173.08	
Net Income		3,763,477.86
Initial Deposits		224,187.97
Special Deposits		7,135.84
Interest Earned		996,591.58
Total Income		4,991,393.25
Total fixed and estimated liability due to deaths and claims for temporary disability and total and permanent partial disability		1,100,000.00
Surplus in Industrial Reserve Fund for any contingency		3,891,393.25

STATISTICAL STATEMENT FOR YEAR ENDING JUNE 30, 1949

	PLAN I	PLAN II	PLAN III	ALL PLANS
Number Employers Under Act June 30, 1949	51	3,260	5,407	8,718
Number Fatal Accidents Year Ending June 30, 1949	22	26	35	83
Number Permanent Total Accidents Year Ending June 30, 1949	6	2	2	10
Number Permanent Partial Accidents Year Ending June 30, 1949	179	123	109	411
Number Temporary Total Accidents Year Ending June 30, 1949	1,545	6,865	7,869	16,279
Total Number Accidents	1,752	7,016	8,015	16,783
Number Accidents No Compensation Paid	775	5,902	6,667	13,344
Disbursed for Funeral Expenses	3,386.00	2,500.00	6,905.60	12,791.60
Disbursed for Medical Expenses	24,195.66	59,653.05	164,726.43	248,575.14
Disbursed for Hospital Expenses	12,960.44	129,016.55	95,013.21	236,990.20
Disbursed for Fatal Accidents	102,997.17	47,867.24	178,462.19	329,326.60
Disbursed for Permanent Total Disability	31,400.57	9,030.00	30,919.57	71,350.14
Disbursed for Permanent Partial Disability	192,629.07	146,130.09	495,693.51	834,452.67
Disbursed for Temporary Total Disability	191,649.14	227,846.97	261,116.89	680,613.00
Disbursed for Temporary Partial Disability			7,602.06	7,602.06
Disbursed for Hearings, Proceedings and Medical Examinations			23,554.00	23,554.00
Total	559,218.05	622,043.90	1,263,993.46	2,445,255.41

STATISTICAL STATEMENT FOR THIRTY-FOURTH YEAR - PERIOD ENDING JUNE 30, 1949

	PLAN I	PLAN II	PLAN III	ALL PLANS
Number Fatal Accidents	1,604	350	1,030	2,984
Number Permanent Total Accidents	134	31	123	288
Number Permanent Partial Accidents	2,827	1,143	3,400	7,370
Number Temporary Total Accidents	75,210	78,118	140,146	293,474
Total Number Accidents Reported	79,775	79,642	144,699	304,116
Number Accidents No Compensation Paid	44,030	63,682	105,978	213,690
Disbursed for Funeral Expenses	171,608.47	35,059.44	148,634.56	355,302.47
Disbursed for Medical Expenses	209,804.43	1,348,099.06	3,193,680.29	4,751,583.78
Disbursed for Hospital Expenses	100,720.63	445,872.07	1,237,199.42	1,783,792.12
Disbursed for Fatal Accidents	4,286,006.37	865,217.09	3,451,530.68	8,602,754.14
Disbursed for Permanent Total Disability	422,678.27	106,892.06	702,128.92	1,231,699.25
Disbursed for Permanent Partial Disability	2,697,793.01	948,352.42	7,257,114.07	10,903,259.50
Disbursed for Temporary Total Disability	7,811,381.43	2,602,782.12	5,673,704.74	16,087,868.29
Disbursed for Temporary Partial Disability			67,488.70	67,488.70
Disbursed for Hearings, Proceedings and Examinations			244,044.33	244,044.33
Total	15,699,992.61	6,352,274.26	21,975,525.71	44,027,792.58

PREMIUM INCOME FOR EACH FISCAL YEAR

1930-1949

June 30, 1930	465,102.56
June 30, 1931	370,750.72
June 30, 1932	328,498.80
June 30, 1933	336,662.81
June 30, 1934	512,292.02
June 30, 1935	920,485.30
June 30, 1936	1,005,779.17
June 30, 1937	1,206,931.11
June 30, 1938	1,258,643.67
June 30, 1939	1,082,587.32
June 30, 1940	1,241,569.01
June 30, 1941	1,265,072.17
June 30, 1942	1,410,694.61
June 30, 1943	1,499,757.23
June 30, 1944	1,576,705.31
June 30, 1945	1,600,681.99
June 30, 1946	1,570,817.12
June 30, 1947	1,797,236.47
June 30, 1948	1,831,813.07
June 30, 1949	1,668,199.90

COMPARISON OF FATAL ACCIDENTS OVER LAST FIVE FISCAL YEARS

YEAR	PLAN I	PLAN II	PLAN III	TOTALS
30th Year	20	16	20	56
31st Year	14	10	20	44
32nd Year	24	16	28	68
33rd Year	14	7	25	46
34th Year	22	26	35	83

COMPARISON OF NEW FIRMS OVER LAST FIVE FISCAL YEARS

30th Year	1	208	228
31st Year	-1	369	367
32nd Year	3	205	537
33rd Year	9	543	330
34th Year	-5	655	156
Total New Firms	7	1,980	1,618

RE-CAP OF FATAL ACCIDENTS SHOWING DIRECT OR INDIRECT CAUSE

	PLAN I	PLAN II	PLAN III
FALL OF GROUND	8	3	
FALLING LOG OR POLE	2	7	8
FALLING MACHINERY	1	2	
FALL BENEATH MINE CAR	1		
ELECTRIC SHOCK	1		
TRAFFIC ACCIDENTS		3	6
AUTO & TRAIN WRECK		1	2
GASSED (Monoxide, smoke, etc.)		2	2
MINE BLAST		1	3
BURNS			2
BROKEN CABLE ON SCAFFOLD		2	
STRUCK BY AUTO			3
SNOW SLIDE		1	
RUNAWAY MINE CAR			1
PLANE CRASH		1	
LIGHTNING		1	
FALL FROM THRESHER			1
FALL FROM BRIDGE			1
FALL ON SAW			1
EMBOLISM	6	2	2
STRANGULATED HERNIA	1		
STROKE	2		
FREEZING			1
LEUKEMIA			1
HODGKINS DISEASE			1

COAL MINE INSPECTOR'S REPORT

September 27, 1949

State Industrial Accident Board,
Helena, Montana.

Gentlemen:

In accordance with the requirements of the State Mining Laws I herewith submit my report as State Coal Mine Inspector for the fiscal year ending June 30, 1949.

GENERAL CONDITIONS

The tonnage produced shows a decrease of approximately twenty (20) per cent, and the number of men employed in the industry shows a slight decrease. The value of the tonnage produced was approximately the same.

MINE INSPECTIONS

Most of the mines are inspected quarterly. The wagon mines in the interior, or strictly agricultural areas, that operate only during the winter months are inspected once a year. The Federal Coal Mine Inspectors also inspect most of the smaller mines in addition to inspecting the other mines in the state at regular intervals. The Federal and State Inspectors work in close cooperation with the operators and the mine safety committees in the interest of greater safety in our coal mines.

FATAL ACCIDENTS

There were two fatal accidents during the year that came under the classification of Transportation which accounts for about twenty one (21) per cent of the accidents that occur in the coal mines of the United States. There were no fatal accidents from falls of roof at the working faces which account for fifty five (55) per cent of the fatal accidents that occur in coal mines. The investigators of the fatal accidents referred to above were of the opinion that they could have been avoided.

The efforts of all safety agencies are being directed towards making all who are connected with the industry "safety conscious," and this is considered to be mainly a matter of education. It has to do with the recognition of hazards and knowing how to cope with them.

MINE INSPECTOR'S REPORT-CONTINUED

COAL MINING DATA

The following data allows for the many smaller mines, the operators of which, as is always the case, failed to fill out and return the forms that were mailed to them. Their tonnage, men employed, etc., have been estimated:

Number of mines reporting	23
Number of tons of coal produced	2,850,000
Value at mines	$6,318,933.00
Average number of days worked, chief producers	218
Pounds of dynamite used	1,842,020
Pounds of permissible powder used	143,887
Pounds of Black Powder used	28,500
Tonnage mined by machines (estimated)	99%
Tonnage mined by hand	1%
Number of men employed	798
Number of fatal accidents	2
Accident rate per thousand men (approximate)	2.50

MINING EXAMINATIONS

Ten candidates appeared for examination in Billings, June 13th, 14th and 15th, and seven of them after successfully passing the examination received state mine foreman certificates. One received a state mine examiner certificate, and one received a state coal mine inspector's certificate.

The names of the successful candidates, the grades which they received, and their examination papers with the tally sheets have been placed on file with the Industrial Accident Board, and the fees have been paid to the State Treasurer.

Respectfully submitted,

Edward Davies,
State Coal Mine Inspector

QUARTZ MINE INSPECTOR'S REPORT

October 5, 1949

Industrial Accident Board,
Helena, Montana

Gentlemen:

Herewith is submitted my report for the fiscal year ending June 30, 1949.

MINE INSPECTIONS

During the past year approximately thirty mines or all that were known to be in operation within my territory were inspected once and those with doubtful safety precautions more often.

In addition to mining I have covered safety inspection at the Hungry Horse Dam now under construction by the General Shea Morrison Company, the Canyon Ferry Dam by Canyon Constructors and, the reopening of the caved Northern Pacific Railway Company Mullen Tunnel, by the J. Terteling Company.

FATAL ACCIDENTS

There were two fatal accidents in Mines, one due to remaining too long after lighting fuses in blasting and one caused by a cable breaking hoisting men up a raise.

At Hungry Horse Dam eight fatalities have occurred since its start in spite of the fact that a safety organization is maintained by the Contracting Company.

SAFETY PROGRESS

While advance has been made in safety first there yet remains much to be done toward accident prevention in all lines of industry and it is hoped that the start toward greater safety consciousness by employers and employees alike will continue.

Respectfully submitted,

Carlos Hieber
State Quartz Mine Inspector

QUARTZ MINE INSPECTOR'S REPORT

October 6, 1949

Industrial Accident Board,
Helena, Montana.

Gentlemen:

In the fiscal year ending June 30th, 1949, I visited and inspected all operating mines in the district.

A slight increase in fatal accidents over the preceding year is evident the increase is the result of falling ground, which can be prevented to a large extent by a little discussion between miner and supervisor over the nature of the ground they are working in.

Mining operations have declined during the year due to reduction in price of metals.

I hereby submit a list of fatal accidents for the year ending June 30th, 1949:

Fall of ground	5
Fall in chute.	1
Hit by motor	1
Handling Machinery . .	1
Total	8

Respectfully submitted,

Dennis Murphy,
State Quartz Mine Inspector

SAFETY INSPECTION DEPARTMENT

The work of making safety inspections of places of employment in hazardous occupations, including metal mines, coal mines and boilers, has been carried on during the fiscal year by the following persons:

Boiler Inspectors: C. A. Johnson
Pat Whalen

Safety Inspectors: Jess Rawls
Albert S. Adair
John J. Tomcheck

Quartz Mine Inspectors: Ben Henry
Carlos Hieber
Dennis Murphy

Coal Mine Inspector: Edward Davies

The following table shows the result of the inspectors' work and the fees collected for inspections:

WORK OF SAFETY BUREAU FOR YEAR 1948-1949
(Fiscal Year July 1, 1948 to June 30, 1949)

Inspectors	Months Worked	Licenses Issued	Boilers Inspected	Safety Inspections	Cash Collected
C. A. Johnson	12	331	1090	0	7,465.00
Pat Whalen	12	427	1113	0	7,839.50
Edward Davies	12	0	0	85	517.39
Ben Henry	2	0	0	6	122.13
Carlos Hieber	10	0	0	32	171.37
Dennis Murphy	12	0	0	20	1,710.99
Jess Rawls	11½	0	0	1,617	9,048.34
Albert S. Adair	3	0	0	88	440.00
John J. Tomcheck	2	0	0	57	285.00
Office	12	2,128	0	0	2,686.00
TOTALS:		2,886	2,203	1,905	30,285.72